



WILLIAM T FUJIOKA
Chief Executive Officer

County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 14, 2007

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**INTERNAL SERVICES DEPARTMENT:
REQUEST FOR APPROVAL TO PURCHASE COMPUTER EQUIPMENT
(ALL SUPERVISORIAL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION:
(X) APPROVE () APPROVE WITH MODIFICATION () DISAPPROVE**

IT IS RECOMMENDED THAT YOUR BOARD:

Authorize the Internal Services Department (ISD) to purchase computer related equipment for a total expenditure of \$9,683,000.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

This request is to upgrade computing and data storage capacity for new applications and growth in existing applications, as follows:

- *Computer Servers* - ISD is purchasing three new computer servers and upgrading seven existing computer servers. The servers are needed for eHR Development, eHR Reporting, the County's Internet Portal, DPSSMART Data Warehouse, and other departmental projects. The computer servers purchase and financed costs are estimated to total \$5,094,000.
- *Computer Disk Storage* - ISD maintains disk storage for numerous computer applications in the County. Disk storage is used to store electronic documents and information. This purchase will upgrade one disk storage array and provide additional capacity for new projects and expansion for the growth of existing applications. The disk storage purchase will be financed at an estimated total cost of \$3,723,000.

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

- *Computer Tape Storage* - ISD uses tape storage for backups of computer applications in the County. This purchase will upgrade two tape libraries to increase capacity. The tape storage purchase will be financed at an estimated total cost of \$866,000.

Implementation of Strategic Plan Goals

The purchase and upgrade of servers, storage and tape subsystems to allow for shared use by multiple departmental applications supports the County strategic goals for Service Excellence, Organizational Effectiveness, and Fiscal Responsibility. By using common technologies for multiple solutions we leverage existing skills, thereby supporting the Workforce Excellence goal.

FISCAL IMPACT/FINANCING

There is no additional net County cost associated with this request. All costs are offset by billings to County departments. As indicated in the table below, some of the equipment will be purchased outright and some will be financed through the Los Angeles County Capital Asset Leasing Corporation (LAC-CAL) or a third-party vendor.

Equipment	Purchase or Financed	Term	Total Costs	Fiscal Year 07-08 Costs	Future Fiscal Year Costs
Computer Servers	Purchased		\$ 3,055,000	\$ 3,055,000	
Computer Servers	Financed	3 years	\$ 2,039,000	\$ 411,000	\$ 1,628,000
Disk Storage	Financed	5 years	\$ 3,723,000	\$ 372,000	\$ 3,351,000
Tape Storage	Financed	3 years	\$ 866,000	\$ 144,000	\$ 722,000
Total			\$ 9,683,000	\$ 3,982,000	\$ 5,701,000

The 2007-08 LAC-CAL budget approved by your Board includes the necessary equipment financing authorization. Sufficient appropriation is available in the Department's budget to fund the outright purchases and the projected 2007-08 lease payments. The Department will request sufficient appropriation in future years as necessary to finance the portion of equipment that is long-term financed.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

This request complies with the County Equipment Policy that your Board approved on October 16, 2001. This policy requires that departments obtain Board approval to purchase or finance equipment with a unit cost of \$250,000 or greater.

CONTRACTING PROCESS

These equipment items are a commodity purchase under the statutory authority of the County Purchasing Agent. The purchase will be competitively bid by the Purchasing Agent in accordance with the standard County Purchasing policies and procedures.

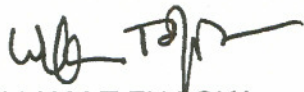
IMPACT ON CURRENT SERVICES (OR PROJECTS)

Your approval will ensure that ISD can acquire the resources necessary to operate County computer systems managed by the Internal Services Department.

CONCLUSION

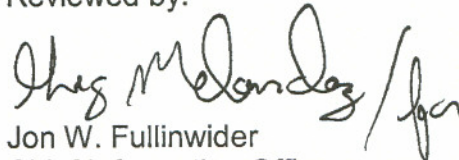
The Executive Office, Board of Supervisors, is requested to return one stamped copy of the approved Board letter to the Director, ISD.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Officer

Reviewed by:



Jon W. Fullinwider
Chief Information Officer

WTF:LN:DC:TT
CL:dc

Attachment

c: County Counsel
Auditor-Controller

computer equipment.bl

CIO ANALYSIS

REQUEST TO PURCHASE COMPUTER SERVER AND STORAGE DISKS

CIO RECOMMENDATION: ☒ APPROVE ☐ APPROVE WITH MODIFICATION
☐ DISAPPROVE

Contract Type:

☐ New Contract ☐ Contract Amendment ☐ Contract Extension
☐ Sole Source Contract ☒ Hardware Acquisition ☐ Other

New/Revised Contract Term: Base Term: N/A Yrs # of Option Yrs

Contract Components:

☐ Software ☒ Hardware ☐ Telecommunications
☐ Professional Services

Project Executive Sponsor: Dave Lambertson, Director, ISD

Budget Information :

Y-T-D Contract Expenditures	\$
Requested Contract Amount	\$9,683,000
Aggregate Contract Amount	\$

Project Background:

Yes	No	Question
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project legislatively mandated?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project subvented? If yes, what percentage is offset?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is this project/application applicable to (shared use or interfaced) other departments? If yes, name the other department(s) involved?

Strategic Alignment:

Yes	No	Question
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project in alignment with the County of Los Angeles Strategic Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is this project consistent with the currently approved Department Business Automation Plan?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project's technology solution comply with County of Los Angeles IT Directions Document?
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Does the project technology solution comply with preferred County of Los Angeles IT Standards?
<input type="checkbox"/>	<input checked="" type="checkbox"/>	This contract and/or project and its milestone deliverables must be entered into the Information Technology Tracking System (ITTS).

Project/Contract Description:

The Internal Services Department (ISD) is requesting Board authorization to purchase and/or upgrade computer servers, disk storage, and tape storage equipment to meet the operational requirements of existing applications and provide capacity for growth and new projects.

Background:

Under this request, ISD will purchase three (3) new computer servers, upgrade seven (7) existing servers and upgrade the capacity of their computer disk storage and computer tape storage equipment. The initial hardware purchase for two (2) upgraded computer servers to support eHR project requirements must be completed by August 31, 2007. The remaining purchases listed below are scheduled to be completed by December 31, 2007.

- One (1) new computer server and upgrade five (5) existing computer servers currently used to run departmental applications for DPSS, Probation, Information Systems Advisory Board, and the District Attorney to support the growth of existing and new systems.
- One (1) new computer server will be purchased for disaster recovery of DPSS applications and will be located at the County's Local Recovery Center in Santa Ana.
- One (1) new IBM mainframe server to be used for disaster recovery and to provide failover for the new County WebSphere Portal project.
- The computer disk storage equipment will be acquired to expand the computer disk capacity at both Downey Data Center and the Local Recovery Center to meet existing applications and disaster recovery needs.
- Computer tape equipment will be upgraded to provide larger capacity and faster tape drives that permit encryption of backup tapes that are sent off-site for disaster recovery purposes.

Project Justification/Benefits:

This purchase will acquire and/or upgrade computer servers, disk storage, and tape storage equipment to meet the operational requirements of existing applications and provide capacity for growth and new projects. Specifically, this will support eHR development and reporting, County WebSphere Portal project, DPSSMART data warehouse project, and other data center projects.

Project Metrics:

Successful completion will be achieved with the implementation and operation of the new and/or upgraded servers, and successful installation of the new disk arrays and tape equipment.

Impact On Service Delivery Or Department Operations, If Proposal Is Not Approved:

Failure to acquire the equipment will seriously impact the eHR project and the affect the ability of key County and department systems to support user needs.

Alternatives Considered:

In order to ensure computability with their existing environment, ISD will purchase IBM, HP, and EMC hardware. These are available from numerous distributors and these purchases will be competitively bid.

Project Risks:

Minimum risks exist for the installation of this equipment because it is compatible with existing servers and disk storage devices.

Risk Mitigation Measures:

Purchasing equipment compatible with existing systems reduces the risks involved.

Financial Analysis:

ISD plans to acquire this computer hardware through a combination of a one-time purchase and debt financing. The table below details the total expected expenditure.

Description	Estimated Cost
Computer Servers	\$ 5,094,000
Computer Disk Storage Equipment	3,723,000
Computer Tape Storage Equipment	866,000
Total	\$ 9,683,000

There is no additional net County cost associated with this request. All costs will be offset by billings to County departments.

CIO Concerns:

None.

CIO Recommendations:

Recommend Board authorization of this proposed procurement.

CIO APPROVAL

Date Received: July 3, 2007

Prepared by: Gene Franklin Sr.

Date: 7/24/2007

Approved: Greg Melendy

Date: 7/26/2007